

Contract – Short Form, For Directed Work

THIS CONTRACT WAS PREPARED TO FAIRLY ALLOCATE RESPONSIBILITIES, RISKS AND EXPENSES ARISING OUT OF THE PERFORMANCE OF THIS WORK, AND IS MADE AND ENTERED INTO BY AND BETWEEN:

| | | | |
|-------------------|-----------------------------------|--------------------|--------------------------------------------|
| Owner: | Electron Hydro, LLC | Contractor: | Layfield USA Corporation |
| Address: | 1800 James Street, Ste 201 | Address: | 10038 Marathon Parkway |
| | Bellingham, WA 98225 | | Lakeside, CA 92040 |
| Telephone: | (360) 738-9999 | Telephone: | 800-377-8404 |
| Email: | invoice@electronhydro.com | Email: | Priscilla.Celiano@layfieldgroup.com |

Owner, for full, complete, and faithful performance of this Contract, agrees to pay Contractor for:

(Description of scope of work, schedule and cost/rate:)

Please refer to Layfield's proposal dated 06/25/2020, signed by Adam Cleveland dated 06/26/2020 for scope of work and cost associated with Layfield's site activities.

Project Code: 20E008_V3

Project Name: Diversion Repair, Spillway Replacement and Bank Protection
Electron Hydro Flume Orting, WA

Owner does not guarantee any minimum quantity, and Owner reserves the right to buy the same items of work from others.

In consideration therefore, Contractor agrees as follows:

To furnish and perform all work as described hereof for the Electron Hydroelectric Facility ("Project") located near Orting, WA, and to be bound by all laws, government regulations, and orders and all terms and conditions of this Contract. Refer to page two of this agreement for Standard Conditions of this Contract.

☐ Retainage will be withheld at 0 %, until 0 days after completion of work, including receipt of required documentation.

Payment will be made within 30 days of receipt of approved invoice with required documentation.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have executed this agreement, effective the date of the last authorized signature unless otherwise agreed.

OWNER:

By:

John A. Smith
Electron Hydro, LLC

603 306 053

WA UBI Number

Ex. 6 Personal Privacy (PP)

Federal Tax ID

Date

JUL 23, 2020

CONTRACTOR:

By:

Priscilla Celiano
(Authorized Signature)

602 374 380
WA UBI Number

LAYFIES94400
Contractor's Registration Number

821,473-02
L&I Account Number

Date

6/30/20

Standard Conditions

Contractor agrees as follows:

- A. BEFORE COMMENCING WITH WORK the Contractor shall provide Owner with:
- 1) A Certificate of Insurance, which names Owner as an additional insured for this Project stating that the policy is primary and noncontributory with any other insurance maintained by Owner. All policies of insurance shall provide not less than forty-five (45) days advance written notice to Owner of cancellation or material change.
 - 2) Any required submittals.
- B. PAY REQUEST:
- 1) Contractor must provide sufficient detail to substantiate the requested amount.
 - 2) Invoices must be submitted by the 5th day of the month for all work completed in the prior month.
 - 3) Payment will be made to Contractor within 30 days of receipt of approved invoice with required documentation.
- C. BEFORE THE FINAL PAYMENT CAN BE RELEASED the Contractor must provide Owner with:
- 1) An Unconditional Release of Lien and Claim in an Owner-approved form.
 - 2) Project documents, O&M manuals, and as-built drawings etc. as may be required. □
- D. INSURANCE. Contractor shall obtain and keep in force during the term of this Contract comprehensive general liability insurance with dollar limits and coverage not less than the types and amounts of coverage noted below:

| Type of Insurance | Amount | |
|----------------------------------------------|-----------|---------------------------------|
| Workers compensation | Statutory | |
| Employers Liability (WA stop gap) | 1,000,000 | Each Accident |
| | 1,000,000 | Disease Policy Limit |
| | 1,000,000 | Disease Each Employee |
| Commercial General Liability | 2,000,000 | General Aggregate |
| | 2,000,000 | Products & Completed Operations |
| | | Aggregate |
| | 1,000,000 | Personal Injury |
| | 1,000,000 | Each Occurrence |
| Automobile liability – Combined Single Limit | 1,000,000 | Each Accident |

E. INDEMNIFICATION.

- 1) Contractor agrees to defend, indemnify, and hold harmless Owner from any and all claims, demands, losses, and liabilities to or by third parties arising from, resulting from, or connected with services, performed or to be performed under this Contract by Contractor, its agents or employees, even though such claims may prove to be false, groundless or fraudulent, to the fullest extent permitted by law and subject to the limitations provided below.
- 2) Contractor's duty to indemnify Owner shall not apply to liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of Owner or its agents or employees. Contractor's duty to indemnify Owner for liability for damages arising out of bodily injury to persons or damage to property caused by or resulting from the concurrent negligence of (a) Owner or its agents or employees, and (b) Contractor or its agents or employees shall apply only to the extent of negligence of Contractor or its agents or employees.
- 3) Contractor's duty to indemnify Owner for liabilities or losses other than for bodily injury to persons or damage to property shall apply only to the extent of the fault of Contractor or its agents, employees, subcontractors or suppliers of any tier, except in situations where fault is not a requirement for liability, in which case indemnity will be provided to the extent the liability or loss was caused by Contractor or its agents, employees, subcontractors or suppliers of any tier. Entitlement to recovery of defense costs shall include all fees (of attorneys and others), costs and expenses incurred in good faith. In addition, Owner shall be entitled to recover compensation for all of its in-house expenses (including materials and labor) consumed in its defense.
- 4) Contractor specifically and expressly waives any immunity that may be granted it under the Washington State Industrial Insurance Act, Title 51 RCW. Further, the indemnification obligation under this Contract shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable to or for any third party under workers' compensation acts, disability benefits acts, or other employee benefits acts; provided Contractor's waiver of immunity by the provisions of this paragraph extends only to claims against Contractor by Owner, and does not include, or extend to, any claims by Contractor's employees directly against Contractor.

The undersigned hereby certify that this Section E was mutually negotiated.

Owner initial: Thana A. Said

Contractor initial: PVC

Revised 08/27/2015

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Lakeside, CA 92040

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Toll Free: (800) 377-8404

Web: www.layfieldgroup.com
E-Mail: robert.emmons@layfieldgroup.com

June 25th, 2020

Pages (4)

Company: Electron Hydro LLC
Name: Thom Fischer thom@tollhouseenergy.com / Adam Cleveland adam@tollhouseenergy.com

From: Robert Emmons *Business Development Manager*
E-mail: Robert.Emmons@layfieldgroup.com

Mobile: (425) 503-6979

Project Code: 20E008_V3

Project Name: Diversion Repair, Spillway Replacement and Bank Protection Electron Hydro Flume Orting, WA

Project Estimator: Josue Rodriguez

PROPOSAL LETTER:

Layfield USA Corporation is pleased to present our proposal for the Electron Hydro: Diversion Repair, Spillway Replacement and Bank Protection Project. Our proposed scope of work, pricing, conditions, inclusions, exclusions, and clarifications are detailed below for your information. Layfield's proposal is subject to the standard terms and conditions as stipulated in the attached "Appendix A".

A. SCOPE OF WORK:

The estimated project scheduled duration is approximately **two** fair weather working days. Installation means and methods as directed by the owner on site. Layfield has allowed for **two** days work "In River. Additional days can be added based on unit pricing provided in this proposal. Layfield has provided for Layfield PM to be on site 50% of the time to coordinate best practices and overall communications.

Furnish and install a liner over the existing spillway and surfaces as indicated on the cofferdam plan view and profile views. Layfield to provide one crew of 5 workers each (1 supervisor and 4 technicians) working 12-hour shifts for two days. The liner will consist of 80 mil HDPE smooth in combination with 100 mil HDPE (already owned by Electron Hydro). The liner will be anchored by burying leading edge in an anchor trench (to be excavated and backfilled by others) and will be attached using batten bar to concrete block retaining wall (to be supplied by others). It is suggested to place existing 100 mil HDPE Liner on top of the leading upstream edge of the new lining as an additional buffer from rocks. Geosynthetic layout is in accordance drawings C-5 & C-6 for job# : 11011900 dated 03/28/2017 and drawing 6 for the same job# dated 04/22/2020. Layfield will provide geotextile supply of 16 oz geotextile under liner to protect against rocks in the subgrade (subgrade should be compacted and smoothed, owner indicated they will possibly supply cushion fabric from existing inventory, cushion fabric should be a heavy weight geotextile such as LP 12 Nonwoven (12 oz nominal weight or greater).

B. PRICING:

- Mobilization per one crew Ex. 4 CBI
- Materials - **Supply only** 80 mil HDPE (4 ea. 23.5' x 410' rolls);
- Materials - **Supply only** 36,000 SF (16 rolls) Geotextile LP 16 15' x 150'
- Liner Installation for the river work Ex. 4 CBI
- Stand Down Daily Rate for one Ex. 4 CBI
- APPROX. DURATION: RIVER WORK — Ex. 4 CBI
TOTAL: 2 WORKING DAYS

Ex. 4 CBI

**Layfield PM Mike Neal on site 50% of time (4-6 hours per day)*

C. CONDITIONS OF THE PROPOSAL:

- Bid proposal is good for 30 days from date above.
- Materials net 30 days upon receipt of goods, upon approved credit.
- Final payment net 30 days upon Layfield's completion, upon approved credit.
- Current lead time for Layfield personal to be on site is **3 weeks** upon notice.

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- Union or prevailing wages (per Davis-Bacon) **are not** applied to this job. Layfield USA Corp. is not a union contractor.
- **Taxes are not included in this proposal. Sales tax for this project indicated are 9.3% additional to pricing given.**
- The work shall be permitted to continue up to 12 hours per day per shift and 6 days per week, at Layfield's discretion (subject to compliance with legislated limits).
- Bonds are not included in this proposal (to add bonds see attachment A, Item 7).
- Disposal bin(s) and portable bathroom(s) are to be located within 200' of the work area.
- Layfield is providing 5 men crew 1 supervisor + 4 technicians asking Electron Hydro to provide 3 additional crew to help with deployment and battening to concrete block as well as deployment of materials as noted with operated equipment.
- Owner shall be responsible for proper subgrade preparation including any preparation where the existing spillway is located. Layfield will add a cushion layer of 16 oz nw geotextile to protect the HDPE liner from small rocks, sharp surfaces.
- Electron to provide a minimum of (3) labor helpers to the five Layfield crews provided not including equipment operators and safety watch
- Project duration for work : 2 days is an approximation. Project shall be billed on actual days worked on site, rounded to the nearest full day.
- Layfield will follow the means and methods set by the owner and is not liable for any failures consequence of the owner's decision.
- It is assumed that the owner will supply all labor, anchor bar, anchoring hardware, drills and other equipment and personnel needed to install the anchor bar.

D. INCLUDED IN THE PROPOSAL:

1. Layfield will provide one crew of 1 supervisor + 4 technicians for River Work. Crew will work 12-hour shift per day
2. Layfield PM Mike Neal on site 4-6 hours per day
3. (Material) Furnish and install 80 mil HDPE black smooth geomembrane.
4. (Material) Furnish and install 16 oz non-woven geotextile.
5. (Mobe) Our quote has included the cost of one mobilization/demobilizations. For additional mobilization refer to Section-B above.
6. (Shipping) Freight of materials to jobsite is included in this proposal.
7. (Sandbags) Unfilled sandbags for deployment of geomembrane material are included in this proposal.
8. (Tensiometer) Onsite testing of field seams with tensiometer is included in this proposal.

E. EXCLUDED FROM THE PROPOSAL:

Layfield has not included the following allowances in our proposal pricing, all of which shall be extra to the contract; or shall be provided by others at no cost to Layfield.

1. (Flume Repair) Liner repair work at the flume is excluded from this proposal.
2. (Material Handling) All material handling, including off-loading, staging and feeding of geomembrane liner into the top of the flume is not included. Material staging will be as directed by Layfield on-site supervisor.
3. (Forklift) Forklift/Crane and operator for deployment an unloading of materials during construction is not included in this proposal.
4. (Demolition) Demolition of existing liner is not Included on this proposal.
5. (Testing) Third party testing of geomembranes is not included in this proposal.
6. (Survey) Survey of the worksite to establish benchmark coordinates is not included in this proposal.
7. (Site Facilities) Electron to provide Disposal bin(s) and portable bathroom(s) are to be located within 200' of each of the work areas, for the entirety of Layfield's work.
8. (Earthworks) Earthworks costs inside the reservoir such as spoils removal, sub grade preparation, utilities and structural excavation are not included in this proposal.
9. (Lighting) Lighting if needed for night time work to be provided by others.
10. (Dewatering) Dewatering for the purposes of maintaining the geo-membrane installations work area dry and free from standing water is not included in this proposal.
11. (Anchor Trench) Earthworks for anchor trench excavation and backfill is not included in this proposal.
12. (Protect in place) Protection of the work, repair of damage to the work, or portions thereof, caused by others after such portions of the work is placed in their final installed position is not included in this proposal.
13. (PPE) Protective devices, work clothing and specific safety training or certification exceeding standard provisions of Layfield's Safety Program made necessary by hazardous site conditions is not included in this proposal.
14. (Water and Electric Power) Accessible water and electrical supply shall be provide by owner.
15. (Soil) Import of soil nor export of excess spoils is not included on this proposal.
16. (Batten Bar) Supply and installation of all batten bar and anchoring hardware is not included on this proposal.

17. There are no rolls of 100 mil HDPE quoted on this proposal.
18. Sales Tax not included

F. PROPOSAL CLARIFICATIONS:

- Layfield reserves the right to modify our proposal to reflect any material increases in costs incurred by resin and freight after the quotation expiration time limit.
- Safe, complete and clear worksite access at all times during prosecution of the Work including, but not limited to, unobstructed access for installation equipment around the entire top perimeter of the Work.
- Layfield will require a minimum, three week notice in order to procure materials and to schedule the arrival of our Installation crew at the site. Project final design drawings shall be issued to Layfield, prior to Layfield procurement of materials so that the quantities stipulated in our quotation can be reconciled And or owner to authorize specific quantities of materials for purchase. s
- Layfield's standard QA/QC testing program shall be the exclusive testing program used on this project.
- *Layfield defines the neat area as the area inclusive up to the top of slope including slope and wall allowances.
- Layfield defines fair weather days as temperatures between 40-100 °F during working hours. Installations cannot take place in winds over 10-12 MPH, in the presence of moisture, of any kind (fog, rain, high humidity, etc.), or in temperatures below freezing without a major impact on seam quality and work productivity. If unsuitable conditions exist, Layfield will need an extension to the schedule due to work loss caused by these conditions at unit charge rates shown in section B.

There shall be an increase to the proposal sum or extension of the time for completion due to any erroneous descriptions or omissions, etc. in the contract documents which are clearly necessary to carry out the intent of the contract and are customarily performed or furnished by contractors performing work similar to the proposed.

G. CONTRACTOR'S LICENCE:

WA # LAYFIUC84899

H. ATTACHMENTS:

Appendix A

If you require more information or clarification to evaluate Layfield's proposal, please contact the undersigned.

Regards from Layfield USA Corporation,

Robert Emmons
Business Development Manager
(425) 503-6979
Robert.Emmons@layfieldgroup.com

Mike Neal
Senior Special Projects Manager
619-892-0949
Mike.Neal@layfieldgroup.com

Josue Rodriguez
Estimating Manager
619-797-1981
Josue.Rodriguez@layfieldgroup.com

Acceptance of Price Quotation:

I (the undersigned) accept this Price Quotation and authorize Layfield USA Corporation to proceed with the entire scope of work stated herein.

Company Name: Electron Hydro, LLC Date: 6/26/2020

Name and Title: Adam Cleveland, Project Manager

Signature:  Purchase Order No.: _____

Appendix A

Standard Terms and Conditions:

1. Union or prevailing wages (per Davis-Bacon) are not applied to this job. Layfield USA Corp. is not a union contractor.
2. Layfield USA Corporation reserves the right to exercise privileges related to lien rights and notices based on state law, which includes but does not limited to standard Preliminary 20-Day Notices.
3. Others shall ensure that release(s) of the work site to Layfield, complete with subgrade and contiguous works by others prepared in accordance with the Specifications & liner manufacturer's recommendations, are conducted in a timely manner such that the Work may proceed continuously without interruption or delay, fully utilizing Layfield's designated crew. Costs of interruptions or delays, including but not limited to additional mobilization and demobilization cycles, standby, dewatering assistance, and diminished productivity resulting from actions or inactions of others that are beyond the control of Layfield, shall be extra to the Contract.
4. Quality of the Work shall conform to Layfield's Quality Assurance / Quality Control (QA/QC) program and to the standards in the Contract Documents subject to any exceptions or clarifications in Layfield's Proposal.
5. Terms: Prices do not include Sales Tax, unless otherwise noted
 - i. Prices are F.O.B. Jobsite, unless otherwise noted
 - ii. Prices presented are based on the scope of work stated herein, in its entirety
 - iii. Payment net 30 days O.A.C.
 - iv. Interest charged on overdue accounts at 1.5% per month (18% per annum)
6. The prices quoted are based on plastic resin prices on the date of the Proposal and are subject to adjustment at Layfield's discretion to account for resin price increases after the date of the Proposal. All prices are F.O.B. the Seller's plant and unless otherwise specified, exclude all local, state, or federal sales taxes. Proposal prices apply only in the quantity and on the shipping schedule, named in the proposal and unless the Seller expressly agrees to the contrary in writing, such proposals are subject to change without notice. Prices are subject to change in the event of increases in customs duty, sales, excise, or other similar taxes, or increases in freight, insurance, or variation in foreign currency exchange rates, or in the costs of manufacture.
7. Layfield's senior on-site representative has sole discretion to temporarily to stop work if, in the representative's opinion, weather conditions inhibit the safe and proper prosecution of the Work. Layfield will not be responsible for any costs, claims or damages, including but not limited to crew downtime, standby, subsistence, mobilization, consultant fees and liquidated damages incurred by others as a result of weather delays in Layfield's Work.
8. Layfield has not included in its price the costs of any Bonds. We will, upon reasonable notice, supply the same as an extra to the Contract, at Layfield's cost plus ten percent (10%). The bond is an AIA standard document if a bond is required.
9. Layfield's warranty obligations shall apply only to the installation of the geosynthetic components. The manufacturer of materials shall provide any warranty of the geosynthetic materials to be installed or supplied hereunder, and Layfield shall have no obligations with respect to the same.
10. Layfield's installation warranty shall commence upon acceptance of the geosynthetic components by the Owner or its representative as such components are completed. The installation warranty period shall be 1-year warranty on labor and shall only cover geosynthetics installation workmanship. The installation warranty shall cover only the cost of replacement or repair, at Layfield's discretion, of the defective workmanship and only to the standards specified in the Contract Documents. Layfield shall not be liable for any damages, including without limitation, any special, direct, indirect or consequential damages arising from the loss of integrity of a part or all of the geosynthetics installation, howsoever caused.
11. Layfield shall not be responsible or held liable for defects, damage and/or deficient materials and installations, either in whole or in part, should these arise or result from the use of poor quality, inappropriate or unsuitable earthworks material, including the use of inappropriate methods employed to construct the earthworks in contact with the completed geosynthetic installation, or from misuse, vandalism or force majeure.
12. Layfield's installation warranty is limited to repair or, at Layfield's discretion, replacement of defects that are demonstrated to Layfield's satisfaction to be the result of substandard workmanship by Layfield. Such warranty work shall be performed only to the same standards and Scope of Work as set out in the Contract Documents. Layfield shall not be liable for any damages, including without limitation, any special, direct, indirect, consequential or incidental damages arising from the use of the geosynthetics installation, howsoever caused.
13. All additional costs incurred by Layfield to accommodate "Extreme Weather Conditions" installation, shall be added to the Contract Price. Further information can be provided upon request.
14. Layfield agrees that the Owner or Contractor may maintain a holdback pursuant to Builder's or Mechanic's Lien legislation applicable to the place of the Work until forty-five (45) days following Total Performance of the Work hereunder. Release of any holdback shall be made at that time, notwithstanding that the Contractor may not have received or be entitled to receive holdback release from the Owner.
15. Layfield's Proposal is based on using the *Associated General Contractors Subcontract Form 650* as the Form of Agreement between Layfield and the Contractor. Layfield reserves the right to modify its proposal, to negotiate acceptable terms and conditions with the Contractor, or to refuse to execute the subcontract in its entirety if the Contractor imposes any other form of agreement.